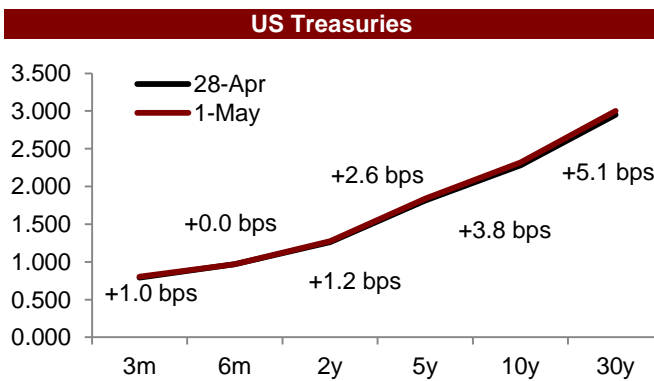
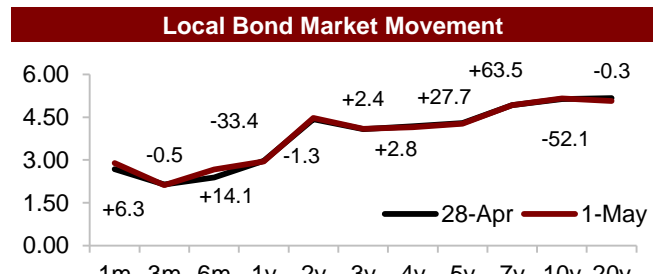
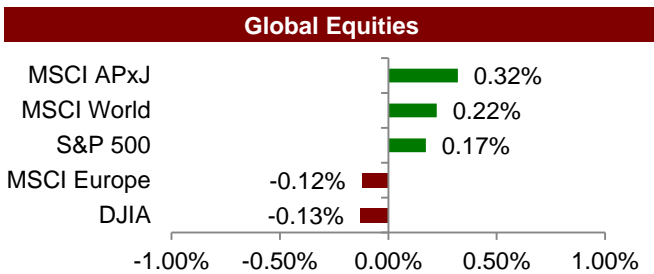
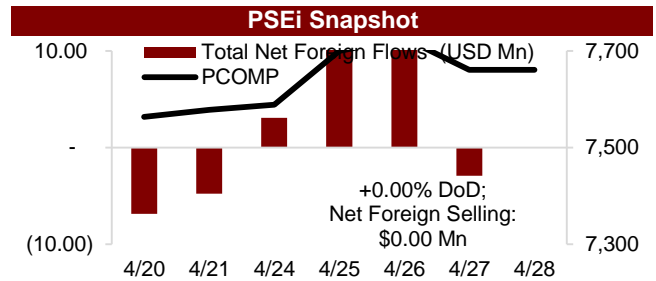


Risk-off sentiment permeated global markets amid economic data releases in the US, political uncertainty in Europe, and country-specific holidays in Asia. Global equities were mixed following the release of the weaker-than-expected US GDP print. Meanwhile, US Treasuries slumped while the US dollar strengthened amid key statements from Treasury officials.

- ✓ The **local equities market** declined as investors took profit ahead of the upcoming extended weekend. The PSEi index went down by 0.85%, closing at the 7661.01 level.
- ✓ In the **local fixed income market**, prices of government securities declined as investors took caution ahead of the long holiday break. On average, yields went up by 3.40 bps, led by the short-end of the curve which increased by 11.1 bps.

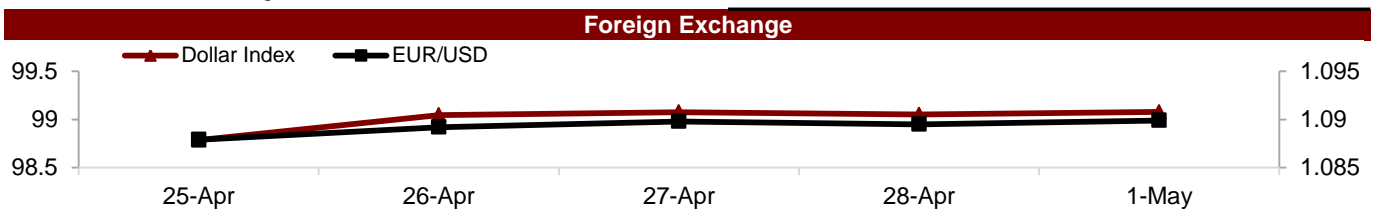


- ✓ **US equities** ended mixed following the release of the first quarter GDP print, which came in weaker than expected. The economy grew at its weakest pace in 3 years just inching out 0.7% for the first quarter. The SPX added 0.17% to 2,388.33, while the DJIA slid 0.13%, ending at 20,913.46.
- ✓ **European equities** fell as market players took caution ahead of the French presidential runoff elections on May 7. The MSCI Europe fell 0.12%, closing at 130.43.
- ✓ **Asian stocks** gained on thin volume as most markets were closed on country-specific holidays. The ASX ended 0.6% higher lifting Asia amidst losses in the energy and health care sector. The MSCI APxJ Index increased 0.32% to 488.13.
- ✓ **US Treasury yields** rallied amid heightened uncertainty following comments from key officials of the US Treasury Department on the feasibility of issuing longer dated debt which could range from 50 to 100 years. On average, US Treasuries increased 2.3 basis points.

- ✓ The **Philippine peso** weakened against the dollar along with other Asian currencies despite U.S. President Donald Trump's disappointing tax reform announcement. The USDPHP closed at 49.95.
- ✓ **US dollar** strengthened despite relatively weaker economic data releases, particularly the US ISM Manufacturing index decreased to 54.8 in April from 57.2 in the previous period, as market players adopted a flight-to-safety stance. The DXY ended 0.26% higher to close at 99.045.

Foreign Exchange

USD/PHP	Previous Close	49.780
	Close	49.950
EUR/USD	Previous Close	1.0892
	Indicative Rate	1.0907



Key Indicators

YIELDS AND PRICES	1-May-17	DoD	WoW	MoM	YTD
91-Day Philippine Treasury Bill Yield (PDST-R2)	2.12	0.00%	-0.76%	-0.85%	-0.54%
1-Year Philippine Treasury Bill Yield (PDST-R2)	2.95	0.00%	0.18%	0.28%	0.58%
ROP2021 (Price)	106.47	(0.04)	(0.26)	0.23	(1.89)
ROP2034 (Price)	133.39	(0.01)	(0.23)	0.60	2.93
3-Month US Treasury Yield	0.80	0.01%	0.02%	0.05%	0.64%
3-Month German Treasury Bill Yield	(0.86)	0.00%	-0.03%	-0.04%	-0.32%
Dubai Crude Oil Spot (\$/bbl)	50.19	0.00%	-1.61%	-1.63%	56.21%
Gold Spot (\$/oz)	1,256.65	-0.92%	-1.53%	0.58%	18.39%

Upcoming Economic Releases

Philippines

Date	Event	Period	Prior
5/5/2017	Foreign Reserves	Apr	\$80.9Bn
5/5/2017	CPI YoY	Apr	3.40%

Developed Markets

Date	Country	Event	Period	Prior
5/3/2017	US	MBA Mortgage Applications	Apr	2.70%
5/3/2017	EU	GDP SA QoQ	1Q A	0.40%
5/9/2017	Japan	Labor Cash Earnings YoY	Mar	0.40%

Emerging Markets

Date	Country	Event	Period	Prior
5/10/2017	China	CPI YoY	Apr	0.9%
5/5/2017	Indo	GDP YoY	1Q	4.94%
5/2/2017	India	Nikkei India PMI Mfg	Apr	52.50

Sources: BPI, Business World, PDI, Phil Star, Manila Bulletin, Reuters, Briefing, Bloomberg, CNN, Dow Jones, The Wall Street Journal, CNBC

www.bpiassetmanagement.com

